

**DUGDEMONA SOIL & WATER
CONSERVATION DISTRICT**

FINANCIAL REPORT
JUNE 30, 2012

SHANNA JONES, CPA
WINNFIELD, LOUISIANA

**DUGDEMONA SOIL & WATER
CONSERVATION DISTRICT**
FINANCIAL REPORT
JUNE 30, 2012

CONTENTS

	Schedule	Page
INDEPENDENT ACCOUNTANT’S COMPILATION REPORT		1
BASIC FINANCIAL STATEMENTS:		
GOVERNMENT-WIDE FINANCIAL STATEMENTS:		
Statement of Net Assets		2
Statement of Activities		3
FUND FINANCIAL STATEMENTS:		
Balance Sheet—Governmental Funds		4
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets		5
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds		6
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds to the Statement of Activities		7
REQUIRED SUPPLEMENTARY INFORMATION:		
Budgetary Comparison Schedule—General Fund	1	9
Budgetary Comparison Schedule—Other Fund	2	10
Schedule of Per Diem Paid to Board Members	3	11
OTHER REPORTS		
Management Letter Comments		13

Shanna Jones, CPA

*157 Larry Bruce Rd
Winnfield, LA 71483
792-8544*

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Mr. Don Price, Chairman
and Members of the Board
Dugdemona Soil & Water Conservation District
Winnfield, Louisiana

I have compiled the accompanying financial statements of the governmental activities and each major fund of the Dugdemona Soil & Water Conservation District, Louisiana as of and for the year ended June 30, 2012 which collectively comprise the District's basic financial statements as listed in the Table of Contents. I have not audited or reviewed the accompanying basic financial statements and, accordingly, do not express an opinion or provide any assurance about whether the basic financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Dugdemona Soil & Water Conservation District is responsible for the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Dugdemona Soil & Water Conservation District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management's Budgetary Comparison Schedule on pages 9 and 10 and Schedule of Per Diem on page 11 are presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting and for placing basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has been compiled from information that is the representation of management. I have not audited or reviewed the supplementary information and accordingly, I do not express an opinion or provide any assurance on such supplementary information.

The Dugdemona Soil & Water Conservation District has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Shanna Jones

Shanna Jones, CPA
October 24, 2012

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
GOVERNMENT-WIDE
STATEMENT OF NET ASSETS
JUNE 30, 2012

ASSETS:

Current Assets—

Cash	\$ 8,693
Accounts Receivable	4,453

Non-current Assets—

Depreciable Capital Assets (Net)	<u>3,056</u>
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Total Assets	16,202
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LIABILITIES:

Current Liabilities—

Accounts Payable	9,227
Accrued Compensated Leave	<u>3,256</u>

Total Liabilities	12,483
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NET ASSETS:

Invested in Capital Assets	3,056
Unrestricted	<u>663</u>

TOTAL NET ASSETS	<u>\$ 3,719</u>
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DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

<u>Program Activities</u>	<u>Expenses</u>	<u>Fees, Fines & Charges for Services</u>	<u>Operating Grants & Contributions</u>	<u>Net (Expenses) Revenues & Changes in Net Assets</u>
Governmental Activities:				
General Governmental	\$ <u>59,355</u>	\$ <u>566</u>	\$ <u>675</u>	\$ (58,114)
General Revenues:				
Intergovernmental:				
				53,588
				<u>4,454</u>
Total General Revenues				<u>58,042</u>
Change in Net Assets				(72)
Net Assets—Beginning of Year				<u>3,791</u>
Net Assets—End of Year				<u>\$ 3,719</u>

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DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
BALANCE SHEET—GOVERNMENTAL FUNDS
JUNE 30, 2012

	<u>MAJOR FUNDS</u>		
	<u>GENERAL FUND</u>	<u>OTHER FUND</u>	<u>TOTAL FUNDS</u>
ASSETS:			
Cash	\$ 4,750	\$ 3,943	\$ 8,693
Accounts Receivable	<u>4,453</u>	<u>-</u>	<u>4,453</u>
TOTAL ASSETS	<u>\$ 9,203</u>	<u>\$ 3,943</u>	<u>\$ 13,146</u>
 LIABILITIES:			
Accounts Payable	\$ 9,227	\$ -	\$ 9,227
Accrued Compensated Leave	<u>3,256</u>	<u>-</u>	<u>3,256</u>
TOTAL LIABILITIES	<u>12,483</u>	<u>-</u>	<u>12,483</u>
 FUND BALANCES:			
Unassigned	<u>(3,280)</u>	<u>3,943</u>	<u>663</u>
TOTAL FUND BALANCES	<u>(3,280)</u>	<u>3,943</u>	<u>663</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 9,203</u>	<u>\$ 3,943</u>	<u>\$ 13,146</u>

See Independent Accountant's Compilation Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2012

Total Fund Balances of the Governmental Funds	\$	663
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Amounts reported for Governmental Activities
in the Statement of Net Assets are different because:

Capital Assets used in Governmental Activities are not
current financial resources and therefore, are not reported
in the Governmental Funds Balance Sheet—

Capital Assets:

Depreciable Assets	\$	16,284	
Less: Accumulated Depreciation	(13,228)	<u>3,056</u>

Net Assets of Governmental Activities	\$	<u>3,719</u>
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See Independent Accountant's Compilation Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE—GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	<u>MAJOR FUNDS</u>		
	<u>GENERAL FUND</u>	<u>OTHER FUND</u>	<u>TOTAL FUNDS</u>
REVENUES:			
Intergovernmental			
State Apportioned	\$ 53,588		\$ 53,588
Federal Farm Bill Funds	4,454		4,454
Miscellaneous			
Trees Sales		\$ 566	566
Sponsors/Donations	<u>-</u>	<u>675</u>	<u>675</u>
Total Revenues	<u>58,042</u>	<u>1,241</u>	<u>59,283</u>
EXPENDITURES:			
General Administration			
Personnel & Related	40,754	-	40,754
Operating Services	6,437		6,437
Materials & Supplies	3,890		3,890
Travel	7,275		7,275
Capital Outlay—Equipment	<u>995</u>	<u></u>	<u>995</u>
Total Expenditures	<u>59,351</u>	<u>-</u>	<u>59,351</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,309)</u>	<u>1,241</u>	<u>(68)</u>
FUND BALANCE—Beginning of Year	<u>(1,971)</u>	<u>2,702</u>	<u>731</u>
FUND BALANCE—End of Year	<u>\$ (3,280)</u>	<u>\$ 3,943</u>	<u>\$ 663</u>

See Independent Accountant's Compilation Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

Net Change in Fund Balance—Governmental Funds	\$ (68)
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Amounts reported for Governmental Activities
in the Statement of Net Assets are different because:

Governmental Funds report Capital Outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. The cost of capital assets recorded in the current period is	995
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Depreciation expense on capital assets is reported in the Government-wide Financial Statements, but they do not require the use of current financial resources and are not reported in the Fund Financial Statements. Current year depreciation expense is	<u>(999)</u>
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Change in Net Assets of Governmental Activities	\$ (<u> 72</u>)
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See Independent Accountant's Compilation Report.

REQUIRED SUPPLEMENTARY INFORMATION

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
BUDGETARY COMPARISON SCHEDULE—GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012

SCHEDULE 1

	BUDGET			(UNFAVORABLE) FAVORABLE VARIANCE
	ORIGINAL	AMENDED	ACTUAL	
REVENUES:				
Intergovernmental:				
State Apportionment	\$ 51,120	\$ 53,588	\$ 53,588	\$ -
Federal Farm Bill Funds	1,000	4,560	4,454	(106)
Miscellaneous	<u>300</u>			
Total Revenues	<u>52,420</u>	<u>58,148</u>	<u>58,042</u>	<u>(106)</u>
EXPENDITURES:				
General Administration:				
Personnel & Related	34,700	37,790	40,754	(2,964)
Operating Services	11,378	6,415	6,437	(22)
Materials & Supplies	2,042	3,890	3,890	-
Travel	3,000	7,275	7,275	-
Capital Outlays	<u>1,000</u>	<u>995</u>	<u>995</u>	<u>-</u>
Total Expenditures	<u>52,120</u>	<u>56,365</u>	<u>59,351</u>	<u>(2,986)</u>
Excess (Deficiency of Revenues Over (Under) Expenditures	<u>300</u>	<u>1,783</u>	<u>(1,309)</u>	<u>(3,092)</u>
FUND BALANCE				
Beginning of Year	<u>(1,971)</u>	<u>(1,971)</u>	<u>(1,971)</u>	<u>-</u>
FUND BALANCE				
End of Year	<u>\$ (1,671)</u>	<u>\$ (188)</u>	<u>\$ (3,280)</u>	<u>\$ (3,092)</u>

See Independent Accountant's Compilation Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
BUDGETARY COMPARISON SCHEDULE—OTHER FUND
FOR THE YEAR ENDED JUNE 30, 2012

SCHEDULE 2

	BUDGET			(UNFAVORABLE) FAVORABLE VARIANCE
	ORIGINAL	AMENDED	ACTUAL	
REVENUES:				
Sponsors/Donations	\$ 6,500	\$ 1,500	\$ 566	\$ (934)
Tree Sales	<u>6,500</u>	<u>6,500</u>	<u>675</u>	<u>(5,825)</u>
Total Revenues	<u>13,000</u>	<u>8,000</u>	<u>1,241</u>	<u>(6,759)</u>
EXPENDITURES:				
General Administration:				
Operating Services	6,500	4,000	-	4,000
Materials & Supplies	2,000	800		800
Travel	<u>500</u>	<u>500</u>		<u>500</u>
Total Expenditures	<u>9,000</u>	<u>5,300</u>	<u>-</u>	<u>5,300</u>
Excess (Deficiency of Revenues Over (Under) Expenditures	<u>4,000</u>	<u>2,700</u>	<u>1,241</u>	<u>(1,459)</u>
FUND BALANCE				
Beginning of Year	<u>2,702</u>	<u>2,702</u>	<u>2,702</u>	<u>-</u>
FUND BALANCE				
End of Year	<u>\$ 6,702</u>	<u>\$ 5,402</u>	<u>\$ 3,943</u>	<u>\$ (1,459)</u>

See Independent Accountant's Compilation Report.

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 2012

SCHEDULE 3

No per diem noted.

See Independent Accountant's Compilation Report.

OTHER REPORTS

DUGDEMONA SOIL & WATER CONSERVATION DISTRICT
MANAGEMENT LETTER COMMENTS
FOR THE YEAR ENDED JUNE 30, 2012

During the course of my compilation, I observed conditions and circumstances that may be improved. Below are situations that may be improved (if any) and recommendations for improvements.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

2012-M-1 Budget Variances

Finding: Louisiana Revised Statutes 39:1311 requires the governing authority to amend its budget when revenues fail to meet budgeted revenues or when expenditures exceed budgeted expenditures by five percent or more. The actual revenues and expenditures of the District's funds for the year ended June 30, 2012 exceeded budgeted revenues and expenditures by more than 5%, primarily due to salary accrual which was not originally budgeted in the general fund and with secretary illness during the fiscal year, revenues and expenditures of other fund decreased but were not considered in the amended budget.

Recommendation: The management of the District should closely monitor and reconcile amended budget changes to original budgeted amounts to insure that revenues and expenditures comply with Louisiana Revised Statute 39:1311.

District's Response: The District will closely monitor and reconcile both original and amended budgets to insure that Louisiana Revised Statutes regarding budgeting are complied with.